

BONDS MOVE UP AS MONEY GOES DOWN

Buying in All Classes of Fixed Income Securities Is Heavy During Week.

The tendency of call and time money rates was definitely downward last week and the bond market once more started forward. Persistent buying in all classes of fixed income securities on the New York Stock Exchange was noted and their yields were steadily decreased. The greatest activity was in old-line railroad bonds and foreign government bonds, which were holding under special influences. The rails were bought on resumption of dividend payments by two roads and the foreign governments were in demand from investors who were satisfied with the progress of the Washington conference.

Considerable activity developed in the field of new offerings of bonds, of which there were three important to the public. The largest piece of new financing was the long expected \$50,000,000 of 6 per cent twenty year bonds of the New York Telephone Company. The phenomenal success of that issue started the banking world and gave some indication of the insatiable appetite of American investors.

These bonds were oversubscribed several times and arrangements were so small that dealers resold them into the open market to fill their orders. That issue was listed on the New York Stock Exchange on Wednesday, and before the close of Saturday's business much more than \$2,000,000 of the bonds had been sold at prices as high as 100, 1/2.

As predicted, the supply of bonds greatly exceeded the demand for them and there was every indication of a still further easing of money rates. If money rates do go lower, there will be every excuse for higher bond prices, according to the best opinion, but if, on the other hand, money is to be pegged around the 4 per cent level, a great many high grade bonds are selling at prices which are below the numbers of the best railroad and industrial bonds is just about in line with current money quotations. It is not expected, however, that the commercial demand for money will be very great during the next several months. Consequently it is logical to conclude that the bond market will continue strong and active for considerable time.

With the New York telephone issue out of the way, the Street is eagerly awaiting the offering of \$30,000,000 of twenty year 6½ per cent bonds of the New York Edison Company. It is understood that public offering of them is merely awaiting their formal approval by the Public Service Commission. Bond dealers report a remarkable interest in those bonds on the part of investors and a large number of requests for preliminary subscriptions to the issue have been received. It is likely that that issue will go just as fast as did the New York Telephone bonds.

It could not be learned definitely that anything had been done on certain large foreign loans pending, with the exception, perhaps, of the Bolivian loan, which may be offered shortly.

Average Bond Prices

November 19, 1921.

Specie	\$75,252.32
Other currency authorized by the law of the United States—	351,358.00
Cash items via mail—	3,032.00
Exchanges and checks for next day—	2,184,057.48
Other cash items—	112,656.82
Total—	2,927,608.30

Due from the Federal Reserve Bank of New York less offset, \$2,056,585.80
Due from approved reserve departments, 402,482.15
Due from other banks, trust companies and clearing houses—
1,162,715.56

Stock and bond investments, via
public securities—
1,032,424.02

REPORT OF THE CONDITION OF THE LINCOLN TRUST COMPANY, NEW YORK CITY, N. Y.

at the close of business on the 15th day of November, 1921.

RESOURCES.

Specie \$75,252.32

Other currency authorized by the law of the United States—

Cash items via mail—

Exchanges and checks for next day—

Other cash items—

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Due from approved reserve departments, 402,482.15
Due from other banks, trust companies and clearing houses—
1,162,715.56

Stock and bond investments, via
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1,032,424.02

LIAABILITIES.

Capital stock.

Surplus fund.

Undivided profits.

Deposits:

Preferred, as follows:

New York State Savings Banks—

Other deposits, as follows:

Deposits as executor, administrator, receiver, trustee, committee or depository—

Deposits by the controller of the New York Stock Exchange—

Deposits by the Superintendent of Banks of the State of New York—

Deposits by a trustee of estates—

Deposits by a committee of estates—